



Charlie DiBenedetto  
Division Manager  
Manhattan Division  
Voice Mail  
1-800-RJR-Talk  
Ext. # 75822

February 12, 1998

To: Manhattan Division Sales and Territory Reps

Re: Camel March/April Operating Plan

Dear Team Members,

As we all discussed, 1997 has been a very busy and productive year for our division and company. We successfully introduced Winston "No Bull" and Salem throughout the marketplace and continue to gain new business with our efforts. Now lets take a look at Camel....

Camel XNF - 1996 share - 4.38 1Q97 - 4.76 2Q97 - 4.77 3Q97 - 3.95 4Q97 - 4.25

As you can see we peaked at 4.77 in the 2ndQ97 and since then we declined. Remember when we started the Winston reintroduction! Then you can see we started to bounce back in the 4thQ97.

Why with so much momentum on our brands did we lose share?

#1 With our overall market share being lower in the northeast we can very quickly lose market share at anytime if we focus on one brand.

That is why every call we must balance ALL priority brands and sell the 3 P's. Each and every case a jobber sells will reflect in our market share.

#2 Product Availability, if it's not in the store the CONSUMER cannot purchase it.

So, I think you can see the plan we need to work in March and April is to focus on all priority brands in each and every call and secure product availability.

Sounds easy right?

For March and April we as a team will focus on all priority brands, however we will step up to plate and address opportunities on Camel in the division.

Below you will see our operating plan for March - April on Camel while balancing all priority brands.

51851 4921

## Division Plan

- Product Availability

- > \$0.25 prebook allowance per carton (6 carton deals)  
Reporting - 1 - Cam. Temp Pack Dis. \$1.50 per 6 carton deal

- Promotion

- > Match Camel with Marlboro plan B period \$0.25 discount on all opportunity styles  
(\$0.30 off Camel Menthol/No discount Red Kamel)  
(don't let retailer spend all his money on Marlboro, beat them to the punch).

- POS/PDI For Shipment To Stores For Retailer Placement. (Utilize Order Form Attached)

- > 2X2 Pricers #535445
- > Camel Corx sign kit item #539555
- > March Camel Overlay POS (refer to FSC-173-B send needed POS as per displays)

Small Starburst #541121  
Dangler #541115  
Large Starburst #541124  
Large PMC #541100

APD Card #541112  
19" Canopy Card #541103  
Channel Strip #541094  
2 Sided Large Paster #541091

- Displays And Payments/Shipment To Retail Stores

- > Sell temp displays for additional and opportunity styles.  
(S/R submit work request to R/R) (T/R's sell and place)
- > Utilize Red Kamel metal displays for Red's.  
Payment \$10.00 Red Kamel, \$5.00 Dist. payment
- > Camel Wides \$10.00 display payment.
- > \$30.00 payment for March and April, for placement of temporary display through the entire period for each style carried to be displayed to consumer with pricing.  
(Report Camel Carton Displays \$15.00 payment)
- > \$1.50 temp payment also available
- > Displays for shipment to stores >>> Camel Wides 20 Pk item #541811 Menthol 20-PK #542633  
40-PK Counter #526292 "Oasis" 210-Pk Floor Dis.
- > We should all agree, \$0.25 off per pack is a good promotion, it must be a standard that the retailer gets no promotion unless we can display all styles!

51851 4922

- Plan-o-grams

- > Set plan-o-grams as discussed during annual meeting breakout
  - Contracted display space allocation

# of Camel Trays	Styles	Styles	Styles	Styles
1 Tray for Camel	Lt. Box 75%	Fil Box 25%		
2 Trays for Camel	tray(1) Lt. Box 100%	tray(2) Fil Bx 50 %	(2) Opp. 25%	(2) Opp. 25 %
3 Trays for Camel	(1) Lt. Box 100%	(2) Fil Bx 50 %	(2) Opp. 25%	(2) Opp. 25%
	(3) Opp. 25%	(3) Opp. 25%	(3) Opp. 25%	(3) Opp. 25%

Focus

Red Kamel FF. & Lt Bx.  
 Special Bx & 100's Bx  
 Fil. Soft & Lt. soft  
 Menthol FF. Bx & Lt. Bx.

Fil. & Lt. Bx  
 Ultra Bx & 100 Ultra Bx  
 Wides FF. & Lt. Box

- > Opportunity styles as noted with each allocated space on the contracted display being utilized for one of the opportunity styles ie. 3 trays for Camel will allow for 8 total Camel styles.  
 Add these opportunity styles to displays ie. Ultra Box and Ultra 100 Box in the Village.
- > Utilize APD displays to ensure each style is represented with a strong message to consumers.
- > No more than 4 styles per 8 facing tray.
- > No more than 3 styles per 6 facing tray. (No Pack Racks)
- > Brands merchandised on contract display helps secure product availability.

### Sales Rep Plan in General and Camel Market

- Product Availability

- > Sell/Prebook low/out of stock styles and new distribution

Focus

Red Kamel FF. & Lt Bx.  
 Special Bx & 100's Bx  
 Fil. Soft & Lt. soft  
 Menthol FF. Bx & Lt. Bx.

Fil. & Lt. Bx  
 Ultra Bx & 100 Ultra Bx  
 Wides FF. & Lt. Box

- > Submit quick plan-o-gram through work request function to R/R's for spring loads, ensuring to merchandise and label all Camel styles together in full view of consumer.  
 (Take back our spring loads)

51851 4923

### Sales Rep Plan in Menthol Market (Juan)

- Product Availability

- > Sell/Prebook low/out of stock styles and new distribution

<u>Focus</u>	Lt. Box	Fil. Box
	Menthol Box	Menthol Lt. Box (\$0.30 off)

- > Submit **quick** plan-o-gram through work request function to R/R's for spring loads, ensuring to merchandise and label all Camel styles together in full view of consumer.  
(take back our spring loads)

### Territory Rep Plan in General/Camel Market

- Product Availability

- > Sell off vehicle and prebook low/out of stock styles and new distribution

- Focus

- Monthly Accounts

Red Kamel FF. & Lt Bx.	Fil. & Lt. Bx
Special Bx & 100's Bx	Ultra Bx & 100 Ultra Bx
Fil. Soft & Lt. soft	Wides FF. & Lt. Box
Menthol FF. Bx & Lt. Bx.	

- Quarterly and Yearly

Lt. Box	Fil. Box
Red Kamel Lt. Box	Red Kamel FF. Box

- > Have Mandell sticker product at \$0.25 off to work off vehicle  
(\$0.30 off Menthol/No Red Kamel discount).

### Territory Rep Plan in Menthol Market(Hamilton/Lydell)

- Product Availability

- > Sell off vehicle and prebook low/out of stock styles and new distribution

- Focus

- All Accounts

Lt. Box	Fil Box
Menthol Box	Menthol Lt. Box

- > Have Amsterdam sticker product at \$0.25 off to work off vehicle (\$0.30 off Menthol).

51851 4924

## Retailer Requirements and Incentive

### Level One Participation (average accounts)

- > \$0.25 per carton prebook allowance reported under - Cam Temp PK \$1.50 6 carton deal
- > \$0.25 off per pack all styles of Camel for the full month of March and the first two weeks of April depending on Marlboro discount timing (no Red Kamel).
- > Must maintain pricing POS for entire promotion!!
- > Retailer accepts shipment to store and places identified POS.
- > All orders must incorporate correcting low and out of stock items and also gain new distribution as required on opportunity styles per RJR sales rep.  
example - 20 carton prebook - 5 cartons must be new intro or reintroduction.

### Level Two (Partner Accounts)

- > Level one requirements and benefits
- > \$30.00 payment for March and April, for placement of temporary display through the entire period for each style carried to be displayed to consumer with pricing.
- > Retailer accepts all RJR opportunity styles as per RJR

### Level Three (True Partner Accounts)

- > Level one and two requirements and benefits
- > Retailer does outstanding job placing POS/PDI
- > Retailer incentive Camel Cash \$25.00 certificates rewarded to your top retailers who participate in the program.

If you have any questions, let me know.

Charlie DiBenedetto

cc. Mark Young  
Mike McHugh

51851 4925

Fax or Email

To: Phyllis Floyd

Fax # 732-417-9076

From:

Terr. #

Emp. #

Please order the following items directly to the retail store as indicated by the SIS #. (All items are packed 1-per sku including starbursts)

Account	2X4 Pricers	Camel Corx Pole	Sm. Starburst	Lrg. Starburst	2-sided Lrg. Paster	Dangler	19" Canopy Card	Lrg. PMC
SIS #	#537794	#539555	#510443	#541124	#541091	#541115	#541103	#541100
Sku's >>>>>								

	APD Card	Channel Strip	Wides Display	Menthol 20PK	40-PK display	"Oasis Dis.	2X2 Pricer	
	#541112	#541094	#541811	#542633	#526292	526820	535445 (not available until 3/20)	
Sku's >>>>>								

Account	2X4 Pricers	Camel Corx Pole	Sm. Starburst	Lrg. Starburst	2-sided Lrg. Paster	Dangler	19" Canopy Card	Lrg. PMC
SIS #	#537794	#539555	#510443	#541124	#541091	#541115	#541103	#541100
Sku's >>>>>								

	APD Card	Channel Strip	Wides Display	Menthol 20PK	40-PK display	"Oasis Dis.	2X2 Pricer	
	#541112	#541094	#541811	#542633	#526292	526820	535445 (not available until 3/20)	
Sku's >>>>>								

Account	2X4 Pricers	Camel Corx Pole	Sm. Starburst	Lrg. Starburst	2-sided Lrg. Paster	Dangler	19" Canopy Card	Lrg. PMC
SIS #	#537794	#539555	#510443	#541124	#541091	#541115	#541103	#541100
Sku's >>>>>								

	APD Card	Channel Strip	Wides Display	Menthol 20PK	40-PK display	"Oasis Dis.	2X2 Pricer	
	#541112	#541094	#541811	#542633	#526292	526820	535445 (not available until 3/20)	
Sku's >>>>>								

9267 15815